

20 MICRONS[®]

L I M I T E D

CIN # L99999GJ1987PLC009768
Regd. Office : 9/10, GIDC Industrial Estate, WAGHODIA, Dist. : Vadodara
Ph. # 75 748 06350 E-Mail : co_secretary@20microns.com
Website : www.20microns.com

4th May, 2022

To :

BOMBAY STOCK EXCHANGE LIMITED Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Fort, MUMBAI - 400 001. SCRIP CODE : 533022	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Listing Department Exchange Plaza, Bandra - Kurla Complex, Bandra [East], MUMBAI - 400 051. SCRIP CODE : 20MICRONS
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Dear Sirs,

Re : Press Release - Q4 & 12M FY22 Earnings Update.

In continuation of our letter dated 03.05.2022, we are sending herewith Press Release - Q4 & 12M FY22 Earnings Update - on the Audited Financial Results of the Company for the Quarter/Year ended 31.03.2022.

We now request you to arrange to take note of the above.

Thanking you,

Yours faithfully
20 Microns Limited

For 20 Microns Limited


(Komal Pandey)
Company Secretary

[Komal Pandey]
Company Secretary

Encl. : as above.



CIN: L99999GJ1987PLC009768

Registered Office: 9-10, GIDC Industrial Estate, Waghodia, Vadodara, Gujarat, 391760

Q4 & FY22 – Earnings Update

Revenue from Operations reported at **Rs. 1,724.13 Mn in Q4 FY22** and **Rs. 6,132.02 Mn for FY22**

EBITDA stands at **Rs. 220.37 Mn in Q4 FY22** and **Rs. 793.86 Mn for FY22**

PAT at **Rs. 106.67 Mn in Q4 FY22** and **Rs. 347.28 Mn for FY22**

Vadodara, 4th May, 2022: 20 Microns, India's largest producer of Industrial minerals & offering innovative products in the field of Functional fillers, Extenders and Specialty chemicals, in its board meeting held on 3rd May 2022 has inter-alia considered and approved the Audited Financial Results of the Company for the Fourth Quarter Ended on 31st March 2022 as one of its agenda.

Financial Statement Highlights for Q4 FY22 v/s Q4 FY21

Particulars (INR MN)	Q4 FY22	Q4 FY21	YoY %
Revenue from Operations	1,724.13	1,409.16	22%
Other Income	6.57	9.62	-32%
Total Revenue	1,730.69	1,418.78	22%
Total Expenses	1,584.88	1,309.72	21%
EBITDA	220.37	174.10	27%
EBITDA Margin (%)	12.78%	12.35%	
Depreciation	38.91	34.21	14%
Finance Cost	42.21	40.45	4%
PBT with Exceptional Item	145.81	109.06	34%
Exceptional Items	-	-	
PBT	145.81	109.06	34%
Current Tax	37.02	29.68	25%
Deferred Tax	1.99	-2.11	NM
Tax	39.01	27.57	41%
PAT	106.67	81.49	31%
Other comprehensive profit / loss	36.51	36.35	0%
Net PAT	143.19	117.84	22%
PAT Margin %	6.19%	5.78%	
Diluted EPS	3.01	2.31	30%

Financial Performance Comparison – Q4 FY22 v/s Q4 FY21

- Revenue from Operations has **grown from Rs. 1409.16 Mn in Q4 FY21 to Rs. 1,724.13 Mn in Q4 FY22.**
- The EBITDA **increased by 27% from Rs. 174.10 Mn in Q4 FY21 to Rs. 220.37 Mn in Q4 FY22**
- Net profit stood at **Rs. 106.67 Mn in Q4 FY22, compared to Rs. 84.49 Mn in Q4 FY21**
- PAT margins **increased to 6.19% in Q4 FY22 from 5.78% in Q4 FY21**

Financial Statement Highlights for FY22 v/s FY21

Particulars (INR MN)	FY 22	FY 21	YoY %
Revenue from Operations	6,132.02	4,835.27	27%
Other Income	21.68	25.58	-15%
Total Revenue	6,153.70	4,860.85	27%
Total Expenses	5,677.32	4,643.26	22%
EBITDA	793.86	584.66	36%
EBITDA Margin (%)	12.95%	12.09%	
Depreciation	136.72	138.30	-1%
Finance Cost	202.44	254.35	-20%
PBT with Exceptional Item	476.38	217.59	119%
Exceptional Items	-	-	
PBT	476.38	217.59	119%
Current Tax	122.7	62.35	97%
Deferred Tax	6.26	-74.87	-108%
Tax	128.97	-12.51	NM
PAT	347.28	230.1	51%
Other comprehensive profit / loss	35.42	37.66	-6%
Net PAT	382.70	267.76	43%
PAT Margin %	5.66%	4.76%	
Diluted EPS	9.84	6.51	51%

Particulars (INR MN)	FY 22	FY 21
Net Cash Generation from operation	353.20	520.48
Net Cash Generated/ (Used in) investing activity	-231.72	-91.26
Net Cash Generated/ (Used) from Financing activity	-36.04	-452.65
Net Increase in Cash and Cash Equivalents	85.45	-23.43

Particulars (INR MN)	FY 22	FY 21	Particulars (INR MN)	FY 22	FY 21
Assets			Liabilities		
Non-Current Assets	2,415.97	2,228.07	Shareholders Fund	2,514.94	2,144.64
Fixed Assets & others	2,122.41	2,053.34	Equity Share Capital	176.43	176.43
Investments	86.44	59.49	Other Equity	2,338.51	1,968.21
			Non-Controlling Interest	9.10	7.68
Other Financials assets	66.80	38.64	Non-Current Liability	574.26	499.24
Other Non-Current Assets	140.32	77.41	Borrowing	284.88	236.77
Current Assets	2,737.14	2,294.22	Other NC Liability & DTL	289.39	262.48
Inventories	1,289.45	1,005.73	Current Liability	2,054.81	1,871.54
Trade Receivables	1,002.00	901.21	Borrowing	916.70	775.53
Cash, Bank and Cash Equivalents	168.49	99.43	Trade Payable	987.09	937.66
Other Current Assets	277.20	287.85	Other Current liability	151.02	158.36
TOTAL ASSETS	5,153.11	4,523.10	TOTAL LIABILITY	5,153.11	4,523.10

Financial Performance Comparison – FY22 v/s FY21

- Revenue from Operation recorded a **growth by 26.82%** from **Rs. 4,835.27 Mn in FY21 to Rs. 6,132.02 Mn in FY22**
- The **EBITDA increased by 36%** from **Rs. 584.66 Mn in FY21 to Rs. 793.86 Mn in FY22** with expansion in the **EBITDA margins from 12.09% in FY21 to 12.95% in FY22**
- Net profit stood at **Rs. 347.28 Mn in FY22**, compared to **Rs. 230.10 Mn in FY21** recording a **growth of 51%**
- Total Fixed Asset **grew by 5.18%** from **Rs. 3,286.88 Mn in FY21 to Rs.3,457.24 Mn in FY22**
- Current Asset stood at **Rs. 2,737.14 Mn in FY22**, compared to **Rs. 2,294.22 Mn in FY21**
- Long term borrowing stood at **Rs. 284.88 Mn in FY22**, compared to **Rs. 236.77 Mn in FY21** and Short-term borrowing at **Rs. 916.70 Mn in FY22**, compared to **Rs.775.53 Mn in FY21**
- Debt Equity ratio has **increased marginally to 0.48 in FY22** compared to **0.47 in FY21**
- Cash flow from operations stands at **Rs. 352.70 Mn for FY22**

Commercial Updates

- CRISIL Ratings have upgraded its ratings on the bank facilities of 20 Microns Limited (ML, part of the 20ML group) to 'CRISIL BBB+/Stable/CRISIL A2' from 'CRISIL BBB/Stable/CRISIL A3+

- 20 Microns has invested Rs. 70 Mn in its wholly owned subsidiary 20 MCC Private Limited and Rs. 2.25 Mn in JV company Dorfner-20 Microns Private Limited where it holds 45% stake.
- The exit from CDR (corporate debt restructuring) and release of pledged shares coupled with improving market capitalization also support an improved financial flexibility for 20 Microns.

Management Comments

Commenting on the performance of FY22, Mr. Atil Parikh, CEO & Managing Director, 20 Microns Ltd. said “We are happy to share with you our financial and business performance of the 4th quarter and FY22, consolidated revenue stood at Rs. 1,724.13 Mn & Rs. 6,132.02 Mn – with a growth of 22% & 27% YoY, predominantly driven by better performance of Key products as well specialty products. We have managed to achieve good growth across all product offerings during the FY22. On YoY basis our EBIDTA Margins during the quarter (Q4 FY22 vs Q4 FY21) remained majorly stable as increase in imported and domestic raw material cost as well as imported and domestic freight and logistics cost was offset by higher sales in specialty chemicals segment and adding newer grades and customers in the domestic and international market. Additionally, we were also able to pass on increase in logistics cost and raw material costs to our customers in some cases. Going ahead our focus is to grow the EBITDA Margin by increasing contribution from higher margin products, focusing higher on exports and by building cost efficiency through procurement and operational processes. PAT was at Rs. 347.28 Mn, with a growth of 51% YoY. In the current quarter the Company was able to exit from the Corporate Debt Restructuring program and clear the lien on pledged shares of the Company held by promoters. The Company has strengthened its balance sheet and debt: equity ratio now stands at 0.48. 20 Microns continues to broaden its products range by continually investing in value added products and R&D processes.

20 Microns is expected to enjoy a healthy return on capital employed around 20% over medium term and will maintain a moderate operating margin around 13-15%. The group benefits from its geographically widespread locations (9 plants spread in India) controlling logistics and saving lead time for its customers. Further, group also enjoys economies of scale supported by continued revenue growth. The company focused on moving towards bulk shipments of its imported products due to the inefficient logistics supply scenario and will continue to do so in the forthcoming year as well till the situation improves.

We would like to thank our employees for their efforts and our investors / stakeholders for their continued support and encouragement.”

Management Guidance

- The management expects the revenue to **grow much better than FY22 if the external factors do not hinder** for the year FY 23, mainly on account of increased share of revenue from speciality products including a better penetration of its existing

functional additives range and also introducing newer products which are ready for launch due to continuous R&D. There also would be a calibrated launch of products in the construction chemicals and MinFert range of products in 2-3 states every year where the Company will have favourable competitive scenario. Further, the Company plans to increase its focus on export markets and tap opportunities in North America, Latin America, Far East and Europe.

- PAT margin will also significantly **improve than FY22 considering no further impact of external factors**, primarily due to reduction of interest costs going forward. Further, the Company is evaluating and gradually implementing slew of measures to optimize operations across its product lines which include setting up of solar captive power plants, better technologies and bulk ordering of raw materials to obtain competitive prices.
- The Company is pleased to announce that JV with Dorfner Holding GmbH & Co. KG, Germany shall commence operations from Q1FY23 and will initially focus on marketing, selling and distributing coloured quartz related products.
- The Company expects to be substantially reducing its long term debt by FY24 and simultaneously also invest in newer capacities going forward through various means of finance to align with its future goals.

About 20 Microns Limited

20 Microns Ltd is one of India's largest producer of Industrial minerals with more than 30 years of experience offering innovative products in the field of Functional fillers, Extenders and Specialty chemicals. Headquartered out of Vadodara, Gujarat in India, the company is widely catering to the multi-dimensional industries of paint and coatings, plastics, textiles, rubber, paper, ceramics and adhesive & sealants industry. The company is a multi-product company catering to a cross section of industry across the globe and enjoys the reputation of being a dependable supplier with best manufacturing practices and state-of-the-art R&D center. The international business forms one-fifth of the company's business.

For further information on the Company, please visit www.20microns.com

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